

Jeremiah W. (Jay) Nixon
Governor
State of Missouri



Department of Insurance,
Financial Institutions and
Professional Registration
John M. Huff, Director

DIVISION OF FINANCE

301 West High Street, Room 630
P.O. Box 716
Jefferson City, MO 65102-0716
(573) 751-3242
(573) 751-9192 FAX
finance.mo.gov

Richard J. Weaver
Commissioner of Finance

June 8, 2012

The attached report represents a consolidation of Reports of Condition filed by state-chartered banks with the Missouri Division of Finance as of March 31, 2012, and a comparison with the statements filed one year earlier. Also included is a comparison of financial statements of state-chartered and national banks.

During the previous twelve months, the number of state-chartered banks and trust companies increased by one from 279 to 280. One bank merged into another institution. One state-chartered bank closed in 2011. Three new bank charters were granted when national institutions converted to state-chartered banks.

Assets in state-chartered banks totaled \$94.4 billion on March 31, 2012, an increase of 31.6 percent from one year earlier. Deposits were \$79.0 billion, up 31.7 percent. Total loans were \$54.3 billion on March 31, 2012, up 18.5 percent. The largest impact on all of these numbers was the conversion of a large national bank to a state charter in the second quarter of 2011.

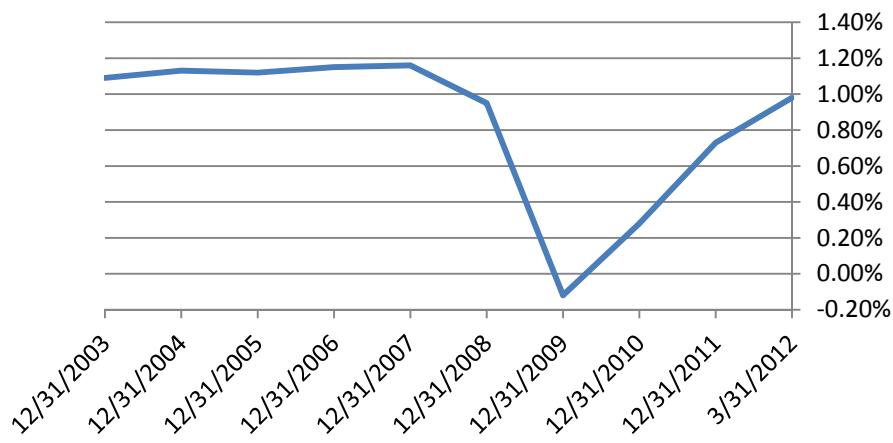
Indicators of continued improvement in the overall condition of state-chartered banks are illustrated in the attached graphs. Evidence of asset quality improvement includes the continued decline in the loan past due ratio: 3.42 percent as compared to 4.94 percent a year ago. Earnings performance continues to recover. The return on assets improvement (2012: 0.98 percent compared to 2011's 0.73 percent) is largely attributed to lower provision expense, while the net interest margin has remained stable (2012: 3.88 percent and 2011: 3.91 percent).

In an effort to graphically illustrate the effects of the economic downturn on Missouri's state-chartered banks, the attached graphs span the years before and during this tumultuous era. As illustrated in these graphs, the financial condition of Missouri banking continues to improve.

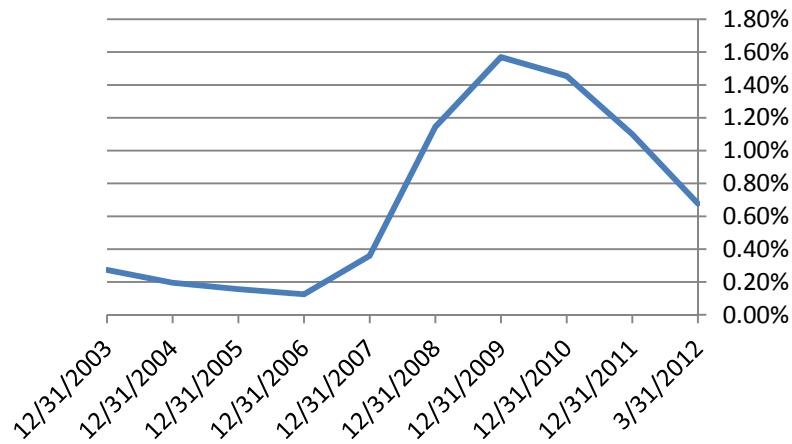
A handwritten signature in black ink that reads "Richard J. Weaver".

Richard J. Weaver
Commissioner of Finance

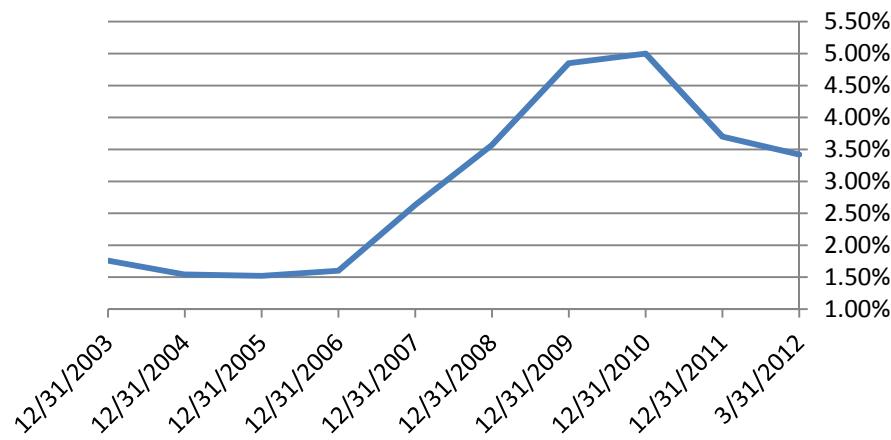
ROA of State-chartered banks



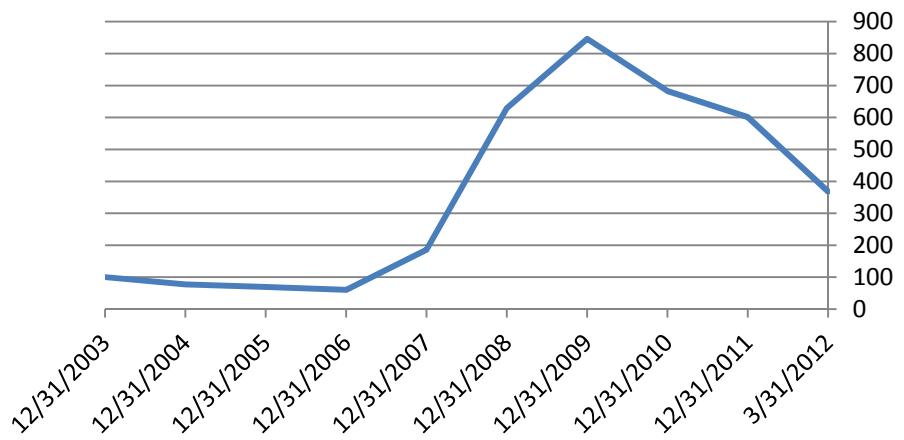
Net C/O to Total Lns.



Past Due & Nonaccrual Loans/Total



Net Loan losses (\$ millions)



COMPARATIVE STATEMENT OF CONDITION
STATE BANKS AND TRUST COMPANIES IN MISSOURI
AS OF MARCH 31, 2012

THOUSANDS OF DOLLARS	274 BANKS 3/31/2012	273 BANKS 3/31/2011	INCREASE DECREASE()	PERCENT CHANGE
ASSETS				
Total Loans	\$54,275,655	\$45,803,444	\$8,472,211	18.5%
Allowance for Loan Losses	1,141,849	1,024,885	116,964	11.4%
Total Assets	94,439,936	71,781,894	22,658,042	31.6%
LIABILITIES				
Total Deposits	79,017,246	59,990,540	19,026,706	31.7%
Total Equity Capital	9,307,516	6,929,427	2,378,089	34.3%

OPERATING RATIOS	3/31/2012	3/31/2011	CHANGE
Equity Capital/Assets	9.86%	9.65%	0.21%
Tangible Equity Capital/Assets	9.22%	8.98%	0.24%
Capital and Allowance for Loan Losses/Assets	10.93%	10.93%	0.00%
Total Loans/Assets	57.47%	63.81%	-6.34%
Past Due and Nonaccrual Loans/Total Loans	3.42%	4.94%	-1.52%
Allowance for Loan Losses/Total Loans	2.10%	2.24%	-0.14%
Average Net Interest Margin	3.88%	3.91%	-0.03%
Return on Assets	0.98%	0.73%	0.25%

NOTES:

The above tables do not include six nondeposit trust companies.

**COMPARATIVE STATEMENT OF CONDITION
STATE AND NATIONAL BANKS IN MISSOURI
AS OF MARCH 31, 2012**

MILLIONS OF DOLLARS	3/31/2012			3/31/2011	PERCENT CHANGE
	274 STATE BANKS	29 NATIONAL BANKS	303 ALL BANKS		
ASSETS					
Cash and Due from Banks	7,081	2,970	10,051	9,613	4.6%
Investment Securities	26,760	9,541	36,301	30,872	17.6%
Total Loans and Leases	54,276	12,317	66,593	66,112	0.7%
Less: Reserves	1,142	195	1,337	1,412	-5.3%
Federal Funds Sold	1,511	477	1,988	1,972	0.8%
Fixed Assets	1,900	522	2,422	2,349	3.1%
Other Real Estate	950	222	1,172	1,042	12.5%
Intangible Assets	666	203	869	856	1.5%
Other assets	2,438	665	3,103	2,787	11.3%
TOTAL ASSETS	\$94,440	\$26,722	\$121,162	\$114,191	6.1%
LIABILITIES					
Total Deposits	79,017	21,731	100,748	94,677	6.4%
Deposits over 250M/100M**	3,910	754	4,664	14,081	-66.9%
Brokered Deposits	3,966	191	4,157	3,821	8.8%
Federal Funds Purchased	3,217	1,869	5,086	5,019	1.3%
Other liabilities	2,898	443	3,341	3,737	-10.6%
Total Equity Capital	9,308	2,680	11,988	10,758	11.4%
TOTAL LIABILITIES	\$94,440	\$26,722	\$121,162	\$114,191	6.1%
EARNINGS					
Interest Income	917	227	1,144	1,161	-1.5%
Interest Expense	139	26	165	217	-24.0%
Net Interest Income	778	201	979	944	3.7%
Provision for Loan Losses	83	19	102	119	-14.3%
Net Income	228	60	288	229	25.8%
Cash Dividends	118	26	144	117	23.1%
Net Loan Losses	92	15	107	135	-20.7%

**2012 figure is deposits over \$250M, but 2011 figure is deposits over \$100M, due to increase in FDIC deposit insurance